

**COMMITTEE ON FINANCE
(BUDGET DELIBERATIONS)**

May 25, 2004

6:30 PM

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance, this function being led by Alderman Osborne.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen Roy, Guinta, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Absent: Alderman Gatsas

Messrs. Kevin Clougherty, Grace Sullivan

Mayor Baines stated Senator Gatsas was still up in Concord with the Senate in deliberations when I left. I just want to make a couple of comments. As all of you have heard, we were not successful in defeating the Committee of Conference on Senate Bill 302. We failed in the Senate by one vote. If one vote had changed, it would have failed and we would have had a new effort to try to craft the fairest solution. It was a very, very long day in Concord. We were there the entire day, listened to all of deliberations, we lost by 30 votes in the House, but most disappointing was in the Senate. I do want to commend our delegation, who was very united and firm in support of defeating that compromised bill. There were many eloquent speeches. I don't want to run through them, but a couple of note. One was Senator Jack Barnes from the Kingston area. A very conservative Republican that just expressed outrage that the Senate would be considering a bill that would take money from the poor communities of the State and give it to the rich. He was very brief and eloquent in his outrage about it and Alderman Gatsas and Senator D'Allesandro and Senator Martel all spoke and Senator Gatsas went through the whole history of the bill and what happened here and there were great speeches about the backroom politics that resulted in what happened up there, the

lack of input from anyone, no public hearing, revision of one of the most important pieces of legislation that we've had perhaps in the modern day history of the State, no public input, a formula that excludes special education, English as a second language students, and minimizes some of the transportation and some of those other issues. And to hear Senator Gatsas telling a story of the community Hollis, one of the wealthiest communities in New Hampshire, average income of \$103,000 or \$104,000, they're going to get \$500,000 more per household in Hollis, and the poorest community in New Hampshire, Stratford, average income around \$31,000, it is going to cost every household in that poor community an additional \$500 dollars. It is so outrageous I can't comprehend what happened, other than I know government here in Manchester is a lot more open. I learned that by just the amount of time that I spent up in Concord the last several days. The fact that we do business right here where people can see. People don't have their arms twisted. There was a really concerted effort by the leadership of the House and Senate, and I've been very outspoken on that, perhaps to my own personal detriment. But I just feel very strongly that what happened in Concord is absolutely outrageous, politics at its worse, but the good news at the end of the day is we're going to work through it and I don't think we need to panic right now. I talked to Alderman Shea earlier, we're going to sit down with the School District to see if there's some issues we can deal with them and departments in the City and we need to be very cautious as we move through this phase of the budget process so that we can work, as we've been working by the way over the past several weeks, looking at revised numbers related to the tax base, insurance numbers and everything which we're really moving in our direction. So this is really a kick in the pants for us here in Manchester who have been trying to do the right things around education and service to our community to be given a setback like this at the 11th hour, but there are communities that set their budgets last March. Can you imagine. Franklin has a tax cap, so they can't raise taxes to deal with this, they have to cut services and they have to cut personnel. Again, one of the poorest communities in the State of New Hampshire. I don't know how they do things like that, but it's not the right way to do things and I'm very disappointed as I said to the Speaker and the Senate President and the Governor, who said he is not going to sign it but he lobbied for this bill and I'm very disappointed in that. Enough said, we're going to move forward and do the best we can on behalf of the taxpayers of the City of Manchester. If you have any questions, I'd be glad to try to respond to them.

Mayor Baines addressed Item 4 of the agenda:

Report(s) of the Committee on Community Improvement, if available.

Deputy City Clerk Johnson stated Your Honor, there are a couple of reports. I'll start out with the one on the Resolution.

A report of the Committee on Community Improvement was presented recommending that Resolution:

“Approving the Community Improvement Program for 2005, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.”

be amended as follows:

Amend Table 3 City Cash

| | <u>FROM</u> | <u>TO</u> |
|---|--------------------|--------------------|
| <i>By reducing:</i> | | |
| 410005 Fire Department Wellness Grant (-\$55,000) | \$150,000 | \$95,000 |
| <i>By increasing:</i> | | |
| 510805 Manchester Boys & Girls Club After School Program(+\$15,000) | \$15,000 | \$30,000 |
| 710705 Highway Department (+\$5,000) | \$25,000 | \$30,000 |
| 811205 Human Resources (+\$25,000) Employee Training & Development | \$20,000 | \$45,000 |
| <i>By eliminating:</i> | | |
| 411205 Police Department Impound Lot (-\$20,000) | \$20,000 | -0- |
| <i>By adding:</i> | | |
| 411205 Police Department (+\$15,600) Speed & Traffic Enforcement (seed/grants) | -0- | \$15,600 |
| TOTAL Balance CIP Cash (-\$14,400) | <u>\$1,916,065</u> | <u>\$1,901,665</u> |

Amend Table 4 General Obligations Bonds

By reducing:
811405 Highway Department (-\$300,000)
Library HVAC/Facility Improvements\$4,740,000
\$4,440,000

By increasing:
411305 Fire Department (+\$300,000)
Fire Station Upgrades
\$1,300,000 \$1,600,000

Amend page 2, paragraph 6 of the resolution *by deleting \$1,916,065. and replacing same with \$1,901,665.*

and recommending that such resolution pass and lay over with amendments. The Committee further recommended that \$30,000 be added to the operating budget for Human Resources, line item 03501 for Insurance Consultant.

On motion of Alderman O'Neil, duly seconded by Alderman Porter, it was voted to accept the report.

A report of the Committee on Community Improvement was presented advising that it has requested the Highway Department and staff to review potential funding for reconstruction and drainage improvements to Ohio Avenue.

On motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to accept the report.

A report of the Committee on Finance was presented recommending that the Public Works Director be authorized to execute a contract with Trecan Combustion Limited Inc. in the amount of \$348,500 for a snow melter, subject to the review and approval of the City Solicitor. The Committee notes that funding for such equipment is presently recommended in the 2005 CIP budget, and to meet delivery deadlines it is required that the snow melter be ordered at this time.

On motion of Alderman O'Neil, duly seconded by Alderman Garrity, it was voted to accept the report and make same recommendation to the full Board.

Mayor Baines addressed Item 5 of the agenda:

Resolution:

“Approving the Community Improvement Program for 2005, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.”

On motion of Alderman Thibault, duly seconded by Alderman Sysyn, it was voted to read by title only and it was so done.

On motion of Alderman O'Neil, duly seconded by Alderman Roy, it was voted to amend the Resolution to reflect the recommendations of the report of the Committee on Community Improvement.

On motion of Alderman Roy, duly seconded by Alderman Thibault, it was voted that the Appropriating Resolution ought to pass and lay over as amended.

Alderman O'Neil stated as Chair of the committee I want to thank the various City departments for their input including the Planning staff and the Finance Department, as well as the Clerk's office and I want to thank the Aldermen for reaching out, getting information to the committee so that we were able to at least try to address the concerns of the Aldermen throughout the City. So I want to thank them all for their input.

Mayor Baines addressed Item 6 of the agenda:

Discussions relative to Appropriating Resolution:

“Raising Monies and Making Appropriations for the Fiscal Year 2005.”

a) Report of Committee on Administration recommending that the Board of Mayor and Aldermen provide funding for public access as follows:

- Appropriate \$90,685 to MCAM
- Place two employees currently under MCTV under the appropriate city department to be determined at the discretion of the Human Resources Director with funding in the amount of \$106,115.37
- That \$400,000 of the current separate fund be transferred to a fund for MCAM to be utilized under the discretion of the Board of Mayor and Aldermen
- That the MCAM Board as presently constituted be designated as the City's community access Board
- That such individuals transferred from the School Department to the City Department be transferred with no loss in retirement, salary or other benefits

The Committee notes that it has requested that the City Solicitor, Finance Department and Human Resources Director work with the MCAM Board to provide preliminary information to the Board at its meeting regarding the general feasibility of this proposal, along with any major issues they believe need to be addressed to the Board of Mayor and Aldermen at this time.

Kevin Clougherty, Finance Director, stated I was asked to pull together a summary that would help the Board get some perspective with respect to the dollars involved in this discussion and that's being handed out now. Once everyone's had chance to get a copy I'll walk you through it. It could help to give you an understanding of where we are with the current budget. If you take a look at that first column, it is fiscal year 2004 and it's got in parenthesis PEG. PEG was my way of explaining the three aspects of the program. P being public, E being educational, and G being the governmental. I guess the other way you could look at it is Channel 23, Channel 22, and Channel 16, not necessarily in that order. In the current fiscal year 2004 budget all of those programs are run out of one office down at Memorial High School and there's one funding source for that. It was in the operating budget and it was \$402,000. So all three are combined this year, they're all running under a budget of \$402,000 and through the end of April there was a balance of about 20 percent of that budget left. So that budget is performing, the three are operational and there may be some turn back from the 2004 budget based on the current arrangement. In 2005 the discussion was, as I understand it, was to separate out the public piece of the equation into a separate 501C-3 operation and to maintain the educational and governmental as it had been at the Memorial facility. And to that end, basically two budgets were submitted. One for \$191,000 for next year, which would be for the public piece of the program, and one for \$330,000 which would basically be to retain the educational and governmental the way it's always been run. So the total requested was \$522,000 to continue the program, above the \$402,000 from the prior year. The Mayor's recommendation in looking at that was that because going forward if you do set up a 501C-3, it would be a regular appropriation. It probably shouldn't be in the CIP, it should probably be in the operating budget under non-City programs the same way that we fund the Child Health Services and Boy's & Girl's Club and other similar operations. So for that reason \$120,000 was put in for one program and \$306,000 for the other. And the Mayor didn't really decide or say so much should be for the public aspect or so much for the governmental, you just said that all three ran last year for \$402,000, for the current year \$402,000, so he increased the total amount for all three to \$426,000 for operational purposes. So what the Board has to understand is in addition to the funding that we're talking about on this sheet of paper, which is their operations, there's also a fund available that has \$1.2 million in it that can be used for capital and for facilities acquisition. Those dollars weren't reflected in either of the Mayor's proposals. The difference as a

variation as I understand it between what the Mayor had proposed and what the people from MCTV are recommending, is about \$70,000 and the big piece of that is if they have to go out and rent a new facility. In other words, if you take the public piece of the program with a couple of employees and send that over to a not-for-profit agency and operate it out of an entirely different area, and you start that July 1st, then it was their feeling that they would need \$191,000 for that. The Mayor's perception was that I don't think you're going to be ready to do that right on July 1st on the start of the fiscal year, it may take a few months. So again, the \$426,000 was probably adequate to cover the three programs going forward understanding that if additional money needed to be put in place for relocation to a new facility in the form of set up or new equipment or a lease, that could come out of the CIP project that we already have established that has the \$1.2 million in it. So I hope this chart has been helpful and not been more confusing, it that's my understanding of where we are with respect to the program today. The proposal that came out of the committee, if it were adopted and went forward in the operating budget, would mean that an additional \$70,000 would have to be raised in taxes, and I don't think that was the intent of the committee. I think the intent of the committee was to try and figure out how the program needs to be restructured, and if there was additional money understanding that we have this other fund called CIP account of \$1.2 million that could be used, but that wasn't clear in the motion on the Committee on Administration. There's a lot of work that has to be done in terms of the contracts that set up the 501C-3, there's a lot of work that has to be done and research that is being done with respect to the employees involved and so it remains the recommendation I believe of the Mayor to keep it at the \$426,000, understanding that how that money is divided between the public and the educational and the government will have to be sorted out and that during the fiscal year we might have to make some type of a transfer and that we might have to go into the additional \$1.2 million fund if that's necessary to help with this transition.

Alderman Forest stated the MCAM Board of Directors and along with Dr. Grace Sullivan were at our last meeting and I guess it was a little surprise to us that they showed up so soon. But they left at the end of the meeting explaining what happened and they were of the understanding that they had to be in there by July 1st, that's why some of these numbers came up. And I guess we discussed it with them saying that it may not be until September 1st. I guess the numbers are correct and Dr. Grace is here if we have any questions of her, but one of the things leaving our committee was the motion that they get together along with the Finance Department, the City Solicitor's office and Human Resources and I believe the meeting occurred between Finance and City Solicitor but has not occurred yet with Human Resources. So maybe we could have Dr. Grace explain what occurred at that point if we have any questions for her.

Dr. Grace Sullivan, Director of MCTV, stated I'd like to introduce Joe Lara who is the public access coordinator for Manchester Community Television and has been doing yeomen's work on setting up MCAM the non-profit organization. I think that Kevin pretty much covered the financial aspect of it. This happened back in January when the Mayor appointed the non-profit Board of Directors. We then set up two separate budgets to bring forward for the education and government component, which at \$306,000 was funded. We're more than content with that money and we appreciate that in the budget. The public access Board of Director's met, the funding at \$120,000 would cover salaries, but it would not cover base renting and board insurance, electricity. What's happening when you make public access a non-profit, you've taken the liability away from the City and School District and given it to a citizen board of directors, so they need to have liability insurance. The other thing that Kevin said, just to clarify that, on the motion, and I can give you a copy of this, under the motion and we discussed this yesterday, there was just a couple of mistakes that was made. Kevin talked about the \$1.2 million. That comes from the capital equipment grant that was given in the year 2000 by then AT&T the cable company and then the additional \$300,000. If you can remember last year the contract extension that you folks got for us last year, a \$300,000 equipment grant. We've used the money to the point of about \$900,000, so in this money it says \$400,000, but if you were to split the money into three ways, it would be \$300,000. So the motion that says \$400,000, really should say \$300,000 and that was something that we discussed with Tom Arnold yesterday, and Tom Arnold had written it down and was going to make that change. The other part of the motion says that the MCAM as presently constituted should be designated the City's community access board and it really should read the City's public access television board. So those are two changes that I think needs to be made. As I said, the \$306,000, we're very happy with that for education and government and at the \$120,000 level will be public access, the Board of Directors will keep meeting, but we won't be moving to an additional space. We would have to be staying at the Manchester School of Technology. We're not at Memorial High School, which Kevin said, it's just a school down the street. The other thing that Kevin said when he brought up the \$1.2 million, you can't use that money for operations. In the cable contract you can't take that money and use it for salaries, you can't use it for electricity; you can't use that for yearly operations, that's a capital equipment grant. You can't do it. It's in the contract, it's kind of what was set up by the FCC and there's operation money that comes from, 5 percent of the cable money, the City money and then the other money is the capital equipment grant.

Mr. Clougherty stated I agree with Grace. What I said Grace was that the money could be used equipment and facilities rental.

Dr. Sullivan asked it can be used for rental?

Mr. Clougherty answered I'll read it to you, I have a copy of it here. It says that "to be used to purchase and/or lease PEG access equipment and facilities."

Dr. Sullivan asked so we can use it for rent?

Mr. Clougherty answered right. That's what I said yesterday. I agree it should be used for salaries, but it could be used for those other items, which I understood was a major part of this differential.

Dr. Sullivan stated that's good to know. But not for salaries, no for electricity?

Mr. Clougherty interjected and it wouldn't be our recommendation that this be done in the future, but for this year it helps you through a transition as you try to figure out how you're going to divide up these dollars.

Dr. Sullivan replied well that's a pretty difficult thing because then we still have the legal fees and we have the insurance money that you really need and the accounting fees, which under the budget that we went over yesterday.

Alderman Forest stated one more concern that we had on the committee level was of the transfer of employees and I think that's why we wanted them to meet with Human Resources. Apparently two of your employees are transferring with the facility? Is that correct?

Dr. Sullivan answered right.

Alderman Forest continued what we wanted to know is the fact do they keep their benefits, their retirement and all of that, or would they be considered contract, and I think we still would like you as a committee to meet with Human Resources to solve that problem.

Dr. Sullivan stated Tom Arnold yesterday said that he was going to be doing research and he needed about a week to get back on that.

Alderman Thibault asked Grace, just one thing. You bring something up about insurance. Is this insurance going through the City self-insured program?

Dr. Sullivan answered because this is a non-profit board, this board would have to be insured for liability and there would have to be equipment insurance and I'm looking at; you've got board insurance, negligent, and property insurance, which came up to about \$8,000 then legal fees, which is about \$15,000. Last year we spent about \$35,000 on legal fees. The organization as a non-profit becomes a

membership board and that hopefully people who are members of the organization will not sue the organization, which has been happening in the past.

Alderman Thibault stated all I want to ask is why can't it go through out City's self-insured program?

Dr. Sullivan answered because if it becomes a non-profit then it's not part of the City.

Alderman DeVries stated if I'm understanding correct, the last of your concerns would be addressing the attorney's fees and insurance component, which averages about \$23,000?

Dr. Sullivan replied yes.

Alderman DeVries stated what I would ask is if it's possible to maybe redirect this questions knowing that the rental component has been answered and see if the Board of Directors would have a conversation and let us know if they feel comfortable knowing that they will have 9 – 10 months to deal with the \$23,000 if they're comfortable with that and maybe get back to us before your next meeting or send a letter to us.

Dr. Sullivan asked as to the amount of money that is needed?

Alderman DeVries replied if I understand from past conversations that there is an anticipation that there will be some fund raising component as part of this. I understand that a brand new organization to have huge expectations of fund raising from day one is unreasonable. It is difficult from a brand new organization. Is \$23,000 something that that board would consider unreasonable and maybe redirect that back to our board so that we can try to deal with it appropriately.

Dr. Sullivan stated I can't speak for that board. You also have your phone and... I'd like to actually look at your licenses and fees that go along with media licenses, I'd just to look at the figures but I think we're looking at about \$30,000. What the salaries are come out to a little bit over \$100,000, we're just talking math wise, we probably need about \$20,000, but that's off the top of my head.

Alderman DeVries stated if you could do that...I'm not sure what the timeframe is here. I think that if they report back to us... we have plenty of time though for them to report back and still encompass this within the budget if we're able to at that point.

Mayor Baines stated it depends on whether you adopt this tonight and...

Alderman DeVries asked if it's not adopted tonight, if we wait for direction from their Board of Directors.

Mayor Baines stated again, we still have time but...

Mr. Clougherty stated it is my understanding if you don't adopt a committee report tonight, the number that's in the budget is the Mayor's number, the \$426,000, and that's what we'd continue to have in there. As you get other information certainly you'd have at least two more opportunities to vote on a change.

Alderman Lopez stated I agree with Kevin that the number that's in the budget right now is your number and unless all of the details can be worked out, and whatever the case may be, they can come back before we finalize the budget on the 8th of June. But I think Kevin has said it and that money can be used for leasing and stuff like that. All of the other details need to be worked as the committee has directed, but I think what has to be done is that somebody has to coordinate it with the City Clerk because at the last meeting nobody knew who was on first and who was on second and that's a wasted meeting. So I would only recommend that any meeting that takes place with City staff in order to solve this, that it be coordinated through the City Clerk's office.

Alderman Smith stated I thought that we'd have to have our budget by June the 3rd and was finalized the 8th? Is that correct?

Mayor Baines stated go through the process because there has to be two votes.

Mr. Clougherty stated it has to lay over, you're going to have to take a vote on laying over and I think the last day for that would be next Thursday. Then the final vote would...

Alderman Smith interjected just to give these individuals, if they're going to meet, they're going to have to meet quickly to get back to us.

Mr. Clougherty stated you can amend it to the last day but you would have votes...

Mayor Baines interjected everything would just keep advancing as is but it can be amended at the end. So we can still deal with it. What I'd like to do now is take a motion to table this. That would be the appropriate thing to do? To table the report?

Deputy City Clerk Johnson replied you can table the report if you want. I think what they're asking is that everybody sit down again some more.

Mayor Baines asked what are we going to do with the report, because we want it to appear on another agenda?

Deputy City Clerk Johnson replied you can refer it to the next discussion on the budget if you want.

Alderman O'Neil asked could we get some clarification. I'm looking at different sets of numbers between the handout from Kevin and the report of the committee, and the numbers aren't the same. Can we get clarification on this? I think Alderman DeVries was trying to go that route of getting the budget more defined. If that could happen I think that would be very helpful to the Board.

Alderman DeVries stated and I'd like a clarification too. If I understood Kevin Clougherty correctly, there was a comment that if during the course of the year there is an issue with the non-profit; they can come back to this Board. Did I hear that correctly?

Mr. Clougherty answered they can come back...if you take a look at...

Alderman DeVries interjected and have us look at contingency or something?

Mr. Clougherty stated Alderman if you take a look at the third column of the handout that I gave you, you'll notice that in the previous columns it was clear that dollars were allocated to a particular program by a particular financing vehicle. The Mayor's recommendation said I really don't know if the government and education number is \$306,000. That may be a great number for them but if that increases everything above \$426,000, maybe at the end of this year after we see how they've operated together, there may be a balance, there is some indication as to whether those could be reallocated differently also. So I think there has to be some more work in the next two weeks to try and understand how the final allocation is. But even saying that, you still have that \$1.2 million that you may want to deal with for facilities and there may be some other things that you may have to do during the year to allocate this, because it's the first year of operation.

Alderman DeVries stated one final comment because I don't think we answered the one question that I was asking. If during the course of the year they come back and they are asking this Board to appropriate additional monies or to find additional monies for them, is that coming from the City side, perhaps out of contingency?

Mr. Clougherty answered at that point that's the only source that there would be because the cable money comes as a general fund revenue.

Mayor Baines stated we try to do that.

Alderman DeVries stated I understand that.

Alderman Roy stated Grace a question for you. You discussed leasing property and I noticed in the committee agendas there was a downtown location requested, which is proudly getting to be one of our higher rent districts. Is that the feeling of the board that a centralized location or you could discuss that choice of rent?

Dr. Sullivan answered we went out and we looked at different properties. We've been working with Bill Jabjiniak to try to find, obviously we said is there any available City property that we could use and we looked at properties and basically we've been in negotiation over trying to be as fiscally responsible as possible. I did want to say something about the government/education budget, that's a pretty good bare bones budget in terms of we'll look at that and see if we can slice some money off from that. But we didn't come in with any kind of expensive budget, that's for sure. But if you want to talk about the...

Joe Lara stated based on your question of the property and the "higher rent", because of our non-profit status, which is in action, we were able to negotiate \$8.00 a square foot at a very good location with an opportunity for anyone else who might have gotten \$12.00 or more per square foot. And a point of clarification on Kevin Clougherty, it's not \$1.2 million that's remaining, it's \$965,000.

Mr. Clougherty replied right.

Alderman Shea asked has this particular process begun yet or is it going to begin next or when is this going to start that you're going to sever the situation? In other words, is he being still paid under old system?

Dr. Sullivan answered everyone is still under the old system.

Alderman Shea asked and how long will that go on?

Dr. Sullivan answered under the current budget...right now we have a budget that goes through July 1st because we're funded...

Alderman Shea interjected so in other words, the process will change July 1st? Is that correct?

Dr. Sullivan answered yes.

Alderman Shea asked so that you're actually looking for this for the next fiscal year.

Dr. Sullivan answered yes. The non-profit has the 501C-3 status and they have sent their operation rules, their incorporation papers to Tom Arnold for review.

Alderman Shea asked so that you're hoping it will start July 1st or does it have to start on July 1st?

Dr. Sullivan answered we're working for it to start July 1st.

Alderman Shea asked but if it were not to start July 1st, is there going to be some sort of impediment, legal problem or anything else?

Dr. Sullivan answered I can't answer that. I'm not sure. Legally Tom Clark is here, I'm not sure of that.

Alderman Roy asked how many square feet is the location you're looking at?

Mr. Lara answered 3,800 [square feet].

Alderman Roy asked and that is adequate?

Mr. Lara answered yes.

Deputy City Clerk Johnson stated Your Honor, there was a question raised with regards to why the numbers are different. I believe Alderman O'Neil raised that question. It is my understanding when this presentation was made to Administration there was an additional handout that was there that broke down all of the items by the MCAM set up. The \$106,115.37 was specifically defined as being the cost related to two employees and the \$90,685 was broken out as a separate operating expense for the 12-month period and Alderman Gatsas when he made the motion felt that if they had the \$90,685 and the \$106,115.37 was set up, that the balance of everything could come out of the \$400,000 if the Board so chose and I'm not sure that legally that's been able to be carried out. And I think that's what the discussion needs to go on with the staff members.

On motion of Alderman Garrity, duly seconded by Alderman Forest, it was voted to refer the report to the next deliberation of the budget.

Deputy City Clerk Johnson stated I would just note for the record that there were some items that were referred and that was all items A through I on the previous agenda, which we have distributed to the Board. It was Item 15 on the last agenda.

Mayor Baines stated I don't think we're going to be dealing with anything like that tonight.

Deputy City Clerk Johnson stated I just wanted to note that is hasn't been disposed with so whatever discussion continues we'll just keep it.

Mayor Baines stated we're aware of things we have to dispose of.

Alderman Shea stated as we all know the Mayor met today with the legislature group up in Concord and obviously it was not successful. So I'd like to bring forth a few items tonight, if I may. I'm requesting that the Mayor arrange a meeting with the School District to explore mutually agreeable initiatives to address the school funding situation. Hopefully they will be willing to work with us and possibly help us with their fund balance, as it were, so that we'll be able to reduce the tax burden on the people in Manchester. Second, Your Honor, I'd like you to set up a meeting with department heads to brief them on our City's financial situation. I believe Kevin Clougherty can do that very nicely and recommendations on savings. We need these suggestions obviously by Friday so hopefully we'll arrange the meeting sometime, Your Honor, within a day or so to tighten up our budget and a third point that was discussed was we're requesting the Finance Officer to research the amount of the fiscal year 2006 adequate grant. I know that that's not probably going to be possible, but we have to go up there at least and say to them look how can we run our government down here if we don't know what you're doing up there. So until you find out what you're doing up there, you could help us down here by at least giving us some indication as far as what's going on. Beyond that, Your Honor, I would ask that we obviously stay as a group here and work together and hopefully we can reduce the City budget. I know that we're working on it quite closely and we don't want to really take any drastic action this evening.

Mayor Baines stated I've already had conversations with the Superintendent because we had a brief meeting before I went over to meet with them, and he's agreeable to sit down with us and explore some options and we'll be setting up the other meetings that you requested. But there are some other items that have to be dealt with. Is that what I'm hearing?

Deputy City Clerk Johnson stated Your Honor, actually there's a special Board meeting immediately following this meeting and that's when those items will come up.

There being no further business to come before the Committee, on motion of Alderman Shea, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee